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**Housing Authority of the  
TOWN OF WHITE CASTLE**  
White Castle, Louisiana

**Annual Financial Report  
As of and for the Year Ended September 30, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/24/09

**HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE**  
**White Castle, Louisiana**  
**Basic Financial Statements**  
**As of and for the Fiscal Year Ended September 30, 2008**  
**With Supplemental Information Schedules**

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**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
**Housing Authority of the Town of White Castle**  
White Castle, Louisiana

I have audited the accompanying basic financial statements of the Housing Authority of the Town of White Castle (the authority) as of and for the year ended September 30, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the authority's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly in all material respects, the financial position of the Housing Authority of the Town of White Castle as of September 30, 2008, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE

White Castle, Louisiana

Independent Auditor's Report, 2008

Page Two

In accordance with *Government Auditing Standards*, I have also issued my report dated April 27, 2009 on my consideration of the authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of My testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

The management's discussion and analysis listed in the table of contents, is not a required part of the basic financial statements but is supplemental information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements which collectively comprise the authority's basic financial statements. The financial data schedule and other supplementary information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the authority. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*William Daniel McCaskill*

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William Daniel McCaskill, CPA  
A Professional Accounting Corporation

April 27, 2009

# Housing Authority of the Town of White Castle

## Management's Discussion and Analysis

For the Year Ended, September 30, 2008

The Housing Authority of the Town of White Castle (the "Authority") management's discussion and analysis report is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual program issues or concerns.

This financial report is designed to provide an overview of the Authority's total financial picture for the fiscal year ending, September 30, 2008, for those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Housing Authority of the Town of White Castle, P.O. Box 58, White Castle, LA 70788.

### **Financial Highlights**

- The Authority's net assets decreased by \$49,532 during the fiscal year.
- The Authority's operating revenue increased by \$24,516 during the fiscal year.
- The Authority's operating expenses increased by \$98,852 during the fiscal year.
- At the close of the current fiscal year, the Authority's Assets exceeded its Liabilities by \$2,428,840.
- The Authority administers federal, state and local grants to benefit the low income and elderly citizens of the Town of White Castle.

### **Overview of the Financial Statements**

The financial statements included in this annual report are those of a special-purpose government engaged in a single business-type activity prepared on an accrual basis. Over time, significant changes in the Authority's net assets serve as a useful indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy; Department of Housing and Urban Development mandated program administrative changes, and the physical condition of capital assets.

# Housing Authority of the Town of White Castle

## Management's Discussion and Analysis

For the Year Ended, September 30, 2008

### Overview of the Financial Statements (continued)

The follow statements are included:

- **Statement of Net Assets** - this statement reports the Authority's assets, liabilities and net assets at the end of the fiscal year. You can think of the Authority's net assets as the difference between what the Authority owns (assets) and what the Authority owes (liabilities).
- **Statement of Revenues, Expenses, and Changes in Net Assets** - this statement presents information showing how the Authority's net assets increased or decreased during the current fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of when the cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will result in cash inflows and cash outflows in future periods.
- **Statement of Cash Flows** - this statement presents information showing the total cash receipts and cash disbursements of the Authority during the current fiscal year. The statement reflects the net changes in cash resulting from operations plus any other cash requirements during the current year (i.e. capital additions, debt service, prior period obligations, etc.). In addition, the statement reflects the receipt of cash that was obligated to the Authority in prior periods and subsequently received during the current fiscal year (i.e. accounts receivable).
- **Notes to the Basic Financial Statements** - notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided. These notes provide greater understanding on the overall activity of the Authority and how values are assigned to certain assets and liabilities and the longevity of these values. In addition, notes reflect the impact (if any) of any uncertainties the Authority may face.

In addition to the basic financial statements listed above, our report includes supplemental information. This information provides additional detail on the Authority's various programs and the required information mandated by regulatory bodies that fund the Authority's various programs.

**Housing Authority of the Town of White Castle**  
**Management's Discussion and Analysis**  
**For the Year Ended, September 30, 2008**

**Financial Analysis**

	<u>2008</u>	<u>2007</u>	<u>Total Change</u>
Current assets	\$ 247,165	\$ 197,489	\$ 49,676
Restricted assets	11,915	11,620	295
Capital assets (net)	<u>2,305,795</u>	<u>2,347,406</u>	<u>(41,611)</u>
Total Assets	<u>2,564,875</u>	<u>2,556,515</u>	<u>8,360</u>
Current liabilities	113,038	56,179	56,859
Tenant security deposits	11,915	11,620	295
Noncurrent liabilities	<u>11,082</u>	<u>10,344</u>	<u>738</u>
Total Liabilities	<u>136,035</u>	<u>78,143</u>	<u>57,892</u>
Invested in capital assets (net)	2,305,795	2,347,406	(41,611)
Restricted Net Assets	-	-	-
Unrestricted Net Assets	<u>123,045</u>	<u>130,966</u>	<u>(7,921)</u>
Total Net Assets	<u>2,428,840</u>	<u>2,478,372</u>	<u>(49,532)</u>
Total Liabilities and Net Assets	<u>\$ 2,564,875</u>	<u>\$ 2,556,515</u>	<u>\$ 8,360</u>

**Current Assets** increased by \$49,676.

**Capital Assets** decreased by \$41,611, as seen on page 7. This decrease is a result of current depreciation, as well as, the completion of capital improvements undertaken by the Authority exceeded total capital outlays during the year.

**Current Liabilities** increased by \$56,859 as a result of increased accounts payable to vendors due to hurricane related expenditures incurred during FYE 2008.

**Noncurrent Liabilities** increased by \$738 as a result of an increase in accrued compensated absences during the year.

**Net Assets** - The difference between an organization's assets and its liabilities is its net assets. Net assets are categorized as one of three types.

- Invested in capital assets, net of related debt - capital assets, net of accumulated depreciation and related debt is due to the capital asset and long-term debt activity;
- Restricted - the Authority's net assets whose use is subject to constraints imposed by law or agreement consisting primarily of debt service reserves;
- Unrestricted - the Authority's net assets that are neither invested in capital assets nor restricted which increase principally due to operations. These resources are available to meet the Authority's ongoing obligations to its residents and creditors.

# Housing Authority of the Town of White Castle

## Management's Discussion and Analysis

For the Year Ended, September 30, 2008

### Financial Analysis (continued)

	<u>2008</u>	<u>2007</u>	<u>Net Change</u>
Revenues:			
Operating revenues:			
Public housing operating subsidy	\$ 263,855	\$ 251,868	\$ 11,987
Operating grants	-	19,189	(19,189)
Dwelling rental	238,732	207,014	31,718
Nonoperating revenues:			
Capital grants	217,711	240,178	(22,467)
Interest revenue	2,097	2,426	(329)
Miscellaneous	<u>36,517</u>	<u>17,511</u>	<u>19,006</u>
Total revenues	758,912	738,186	20,726
Expenses:			
General and administrative	284,431	255,906	28,525
Repairs and maintenance	152,210	139,378	12,832
Utilities	13,261	11,158	2,103
Tenant services	77,225	56,384	20,841
Protection services	566	818	(252)
Depreciation and amortization	263,946	233,428	30,518
Miscellaneous expenses	<u>16,805</u>	<u>12,520</u>	<u>4,285</u>
Total expenses	<u>808,444</u>	<u>709,592</u>	<u>98,852</u>
(Decrease) in net assets	(49,532)	28,594	(78,126)
Net assets – 10/1	<u>2,478,372</u>	<u>2,449,778</u>	<u>28,594</u>
Net assets – 9/30	<u>\$ 2,428,840</u>	<u>\$ 2,478,372</u>	<u>\$ (49,532)</u>

**Total Operating Revenue** increased by \$24,516 for the 2008 fiscal year. This increase represents increases in tenant revenue and public housing operating subsidy.

**Operating Expenses** are categorized by the Authority as general and administrative, repairs and maintenance, utilities, tenant services, protective services, depreciation and miscellaneous expenses. The increase of \$98,852 in total operating expenses is primarily attributable to increases in general and administrative, repairs and maintenance, tenant services and depreciation for the 2008 fiscal year.



# Housing Authority of the Town of White Castle

## Management's Discussion and Analysis

For the Year Ended, September 30, 2008

### Financial Analysis (continued)

General and Administrative Expenses increased by \$28,525 for the 2008 fiscal year. Most of the increase is attributable to increases in employee related expenditures.

Repairs and Maintenance Expenses increased by \$12,832 for the 2008 fiscal year. These were increases in costs and usage of materials for the buildings owned by the Authority.

Tenant Services increased by \$20,841 for the 2008 fiscal year. This increase is attributable to increases in employee related expenditures as it relates to Tenant Services.

Nonoperating Revenues decreased by \$3,790 mainly due to a decrease of capital grants received for the 2008 fiscal year.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

The Authority's capital assets as of September 30, 2008, amounts to \$2,305,795 (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, furniture and equipment, construction in progress, and accumulated depreciation. The total increase in the Authority's capital assets for the current fiscal year was \$222,335.

	<u>2008</u>	<u>2007</u>	<u>Total Change</u>
Land	\$ 236,540	\$ 236,540	\$ -
Buildings and improvements	5,584,663	5,249,125	335,538
Furniture and equipment	166,828	162,204	4,624
Construction in Progress	326,717	444,544	(117,827)
Accumulated Depreciation	<u>(4,008,953)</u>	<u>(3,745,007)</u>	<u>(263,946)</u>
Total	<u>\$ 2,305,795</u>	<u>\$ 2,347,406</u>	<u>\$ (41,611)</u>

Additional information on the Housing Authority of White Castle's capital assets can be found in note C on page 20 of this report.

# Housing Authority of the Town of White Castle

## Management's Discussion and Analysis

For the Year Ended, September 30, 2008

### **CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)**

**Debt.** Long-term debt includes a portion of annual vacation leave for employees. The Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

### **ECONOMIC FACTORS**

Several factors may affect the financial position of the Authority in the subsequent fiscal year. These factors include:

- Federal funding provided by Congress to the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates,
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore tenant rental income,
- Natural disasters which can have a devastating impact on the local economy,
- Locality issues which result from goods and services often being required to be imported,
- Inflationary pressure on utility rates, supplies and other costs,
- Unemployment rates which can have an affect on rent.

Exhibit A

**Housing Authority of the Town of White Castle**  
**White Castle, Louisiana**  
**Statement of Net Assets**  
**As of September 30, 2008**

**ASSETS**

**Current assets**

Cash and cash equivalents	152,682
Receivables:	
HUD	64,565
Tenant rents, net of allowance	2,503
Miscellaneous, net of allowance	263
Prepaid insurance	20,318
Inventory, net of allowance	<u>6,834</u>
<b>Total current assets</b>	<u>247,165</u>

**Restricted assets**

Cash and cash equivalents	<u>11,915</u>
---------------------------	---------------

**Noncurrent assets**

**Capital assets:**

**Nondepreciable capital assets:**

Land	236,540
Construction in progress	<u>326,717</u>
<b>Total nondepreciable capital assets</b>	<u>563,257</u>

**Depreciable capital assets:**

Buildings and improvements	5,584,663
Furniture and equipment	166,828
Less accumulated depreciation	<u>(4,008,953)</u>
<b>Total depreciable capital assets, net of accumulated depreciation</b>	<u>1,742,538</u>

<b>Total capital assets, net of accumulated depreciation</b>	<u>2,305,795</u>
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<b>Total assets</b>	<u>2,564,875</u>
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(continued)

**Exhibit A**

**Housing Authority of the Town of White Castle  
White Castle, Louisiana  
Statement of Net Assets  
As of September 30, 2008**

**LIABILITIES****Current Liabilities**

Accounts payable	67,620
Payable to other governments	22,547
Accrued wages payable	15,843
Accrued compensated absences	5,731
Deferred revenue	1,297

<b>Total current liabilities</b>	<b><u>113,038</u></b>
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**Liabilities Payable from Restricted Assets**

Security deposit liability	<u>11,915</u>
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**Noncurrent liabilities**

Accrued compensated absences	<u>11,082</u>
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<b>Total noncurrent liabilities</b>	<b><u>11,082</u></b>
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<b>Total liabilities</b>	<b><u>136,035</u></b>
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**NET ASSETS**

Invested in capital assets, net of related debt	2,305,795
Restricted	-
Unrestricted	<u>123,045</u>

<b>Total net assets</b>	<b><u>\$ 2,428,840</u></b>
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The accompanying notes are an integral part of these financial statements.

**Exhibit B**

**Housing Authority of the Town of White Castle**  
White Castle, Louisiana  
**Statement of Revenues, Expenses, and Changes In Net Assets**  
**For the Year Ended September 30, 2008**

<b>Operating Revenues</b>	
Operating Grants	263,855
Dwelling Rental	<u>238,732</u>
<b>Total operating revenues</b>	<u>502,587</u>
<b>Operating Expenses</b>	
General and administrative	284,431
Repairs and maintenance	152,210
Utilities	13,261
Tenant services	77,225
Protection services	566
Depreciation and amortization	<u>263,946</u>
<b>Total operating expenses</b>	<u>791,639</u>
<b>Operating income (loss)</b>	(289,052)
<b>Nonoperating Revenues (Expenses):</b>	
Interest revenue	2,097
Miscellaneous revenues	36,517
Miscellaneous (expenses)	<u>(16,805)</u>
<b>Total nonoperating revenues (expenses)</b>	<u>21,809</u>
<b>Income (loss) before other revenues, expenses, gains, losses and transfers</b>	(267,243)
Capital contributions (grants)	<u>217,711</u>
<b>Increase (decrease) in net assets</b>	(49,532)
<b>Net assets, beginning of year</b>	<u>2,478,372</u>
<b>Net assets, end of year</b>	<u><u>\$ 2,428,840</u></u>

The accompanying notes are an integral part of these financial statements.

**Housing Authority of the Town of White Castle  
Statement of Cash Flows  
For the Year Ended September 30, 2008**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from federal subsidies	\$ 258,276
Receipts from tenants	237,993
Payments to suppliers	(265,873)
Payments to employees	<u>(209,548)</u>
Net cash provided by operating activities	<u>20,848</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Miscellaneous revenues	36,517
Miscellaneous (expenses)	<u>(16,805)</u>
Net cash provided by noncapital financing activities	<u>19,712</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Proceeds from capital grants	217,711
Purchase and construction of capital assets	<u>(222,484)</u>
Net cash (used in) capital and related financing activities	<u>(4,773)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	<u>2,097</u>
Net cash provided by investing activities	<u>2,097</u>
Net increase (decrease) in cash and cash equivalents	<u>37,884</u>
Cash and cash equivalents - beginning of year	<u>126,713</u>
Cash and Cash equivalents - unrestricted	152,682
Cash and Cash equivalents - restricted	<u>11,915</u>
Total Cash and Cash Equivalents - end of year	<u>\$ 164,597</u>

**Reconciliation of operating income (loss) to net cash provided by operating activities:**

Operating (loss)	\$ (289,052)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:	
Depreciation and amortization	263,946
Changes in assets and liabilities:	
HUD receivable	(5,579)
Tenant rents, net of allowance	(1,342)
Miscellaneous receivables	308
Prepaid insurance	(323)
Inventories	(5,151)
Accounts payable	58,921
Accrued wages payable	7,874
PILOT Payable	2,961
Accrued compensated absences	1,643
Other liability	(13,653)
Security deposit liability	<u>295</u>
Net cash provided by operating activities	<u>\$ 20,848</u>

The accompanying notes are an integral part of the financial statements

## **HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE**

White Castle, Louisiana  
Notes to the Financial Statements  
September 30, 2008

### ***NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The accompanying basic financial statements of the authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **(1) Reporting Entity**

The Housing Authority of The Town of White Castle (the authority) was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of the Town of White Castle, Louisiana. This formation was contingent upon the approval of the city.

The authority is governed by a Board of Commissioners (Board), which is composed of five members appointed by the city and serve five-year staggered terms. The Board of the authority exercises all powers granted to the authority.

GASB Statement No. 14 established criteria for determining the governmental reporting entity. Under provisions of this statement, the authority is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB 14, fiscally independent means that the authority may, without the approval or consent of another governmental entity, determine or modify its own budget, control collection and disbursements of funds, maintain responsibility for funding deficits and operating deficiencies, and issue bonded debt. The authority has no component units, defined by GASB 14 as other legally separate organizations for which the elected authority members are financially accountable.

## HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE

White Castle, Louisiana

Notes to the Financial Statements, 2008 – Continued

The authority is a related organization of the Town of White Castle, Louisiana since the city appoints a voting majority of the authority's governing board. The city is not financially accountable for the authority as it cannot impose its will on the authority and there is *no potential for the authority to provide financial benefit to, or impose financial burdens on, the city*. Accordingly, the authority is not a component unit of the financial reporting entity of the city.

### (2) Funds

The accounts of the authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

All funds of the authority are classified as proprietary. The general fund accounts for transactions of all of the authority's programs.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the authority's enterprise fund are HUD operating grants and subsidies and tenant dwelling rents. Operating expenses include General and Administrative expenses, repairs and maintenance expenses, utilities and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The accompanying basic financial statements of the authority have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB statement No. 34, Basic Financial Statements and Management's discussion and Analysis—for State and Local Governments, which was unanimously approved in June 1999 by the GASB.

### (3) Measurement focus and basis of accounting



## **HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE**

White Castle, Louisiana

Notes to the Financial Statements, 2008 – Continued

Proprietary finds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this management focus all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

### **(4) Assets, liabilities, and net assets**

#### **(a) Deposits**

The authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. HUD regulations, state law and the authority's investment policy allow the housing authority to invest in collateralized certificates of deposit and securities backed by the federal government.

#### **(b) Inventory and prepaid items**

All inventories are valued on a first-in first-out (FIFO) basis. Inventories consist of expendable building materials and supplies held for consumption in the course of the authority's operations.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### **(c) Restricted Assets**

Cash equal to the amount of tenant security deposits is reflected as restricted.

#### **(d) Capital assets**

Capital assets of the authority are included in the statement of net assets and are recorded at actual cost. The capitalization threshold is \$500. Depreciation of all exhaustible fixed assets is charged as an expense against operations.

## HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE

White Castle, Louisiana

Notes to the Financial Statements, 2008 – Continued

Property, plant, and equipment of the Authority is depreciated using the straight line method over the following estimated useful lives:

Buildings	40 years
Modernization and improvements	10 years
Furniture and equipment	3-7 years

(e) Due from/to other governments or agencies

Amounts due from/to the authority to/by other governments or agencies are generally for HUD grants or programs under which the services have been provided by the authority. The authority also records an amount due to the various taxing districts within the region for payments in lieu of taxes.

(f) Allowance for doubtful accounts

The authority provides an allowance for doubtful accounts, as needed, for accounts deemed not collectible. At September 30, 2008, the management of the authority established an allowance for doubtful accounts of approximately \$4,143.

(g) Compensated absences

It is the authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provisions of GASB Statement No. 16, "*Accounting for Compensated Absences*," vacation and sick pay is accrued when incurred and reported as a liability. Employees may accumulate an unlimited number of annual and sick leave hours. Depending on their length of service, employees receive payment for up to 300 annual leave hours upon termination or retirement at their then current rate of pay. Employees are not compensated for unused sick leave.

(h) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the government-wide financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE**

White Castle, Louisiana

Notes to the Financial Statements, 2008 – Continued

### **NOTE B – DEPOSITS**

Deposits are stated at cost, which approximates fair value. Under state law and/or federal regulation, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of federal securities. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

As of September 30, 2008, the authority's carrying amount of deposits was \$164,597, which includes the following:

Cash and cash equivalents-unrestricted	\$152,682
Cash and cash equivalents- restricted	11,915
Total	\$164,597

**Interest Rate Risk**—The authority's policy does not address interest rate risk.

**Credit Rate Risk**—Since all of the authority's deposits are federally insured and/or backed by federal securities, the authority does not have credit rate risk.

**Custodial Credit Risk**—This is the risk that in the event of a bank failure, the authority's deposits may not be returned to it. The authority does not have a policy for custodial credit risk. \$100,000 of the authority's total deposits were covered by federal depository insurance, and do not have custodial credit risk. The remaining \$68,589 of deposits have custodial credit risk, but were collateralized with securities held by the pledging financial institution trust department or agent. The bank balances as of September 30, 2008 totaled \$168,589.

**HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE**  
 White Castle, Louisiana  
 Notes to the Financial Statements, 2008 – Continued

**NOTE C - CAPITAL ASSETS**

Capital assets activity for the year ended September 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustment</u>	<u>Ending Balance</u>
<b>Nondepreciable Assets:</b>					
Land	\$236,540	\$	\$	\$	\$236,540
Construction in Progress	444,544	217,710		(335,538)	326,717
<b>Depreciable Assets:</b>					
Building and improvements	5,249,125			335,538	5,584,663
Furniture and equipment	<u>162,204</u>	<u>4,774</u>		<u>(149)</u>	<u>166,829</u>
Total	<u>6,092,413</u>	<u>222,484</u>		<u>(149)</u>	<u>6,314,749</u>
Less accumulated depreciation					
Building and improvements	3,619,187	248,112			3,867,299
Furniture and equipment	<u>125,819</u>	<u>15,834</u>			<u>141,653</u>
Total accumulated depreciation	<u>3,745,006</u>	<u>263,946</u>			<u>4,008,952</u>
Net Capital Assets	<u>\$2,347,406</u>	<u>\$41,462</u>	<u>\$</u>	<u>(\$149)</u>	<u>\$2,305,795</u>

**NOTE D – CONSTRUCTION COMMITMENTS**

The authority has active construction projects as of September 30, 2008. At year end, the commitments with contractors are as follows:

<u>Projects</u>	<u>Expended to Date</u>	<u>Remaining Commitment</u>
CFP 2007	\$151,645	\$12,958
CFP 2008	<u>0</u>	<u>177,420</u>
Total	<u>\$151,645</u>	<u>\$190,378</u>

## **HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE**

White Castle, Louisiana

Notes to the Financial Statements, 2008 – Continued

### **NOTE E – COMPENSATED ABSENCES**

At September 30, 2008, employees of the authority have accumulated and vested \$16,813 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. The leave payable is recorded in the accompanying financial statements. \$11,082 is reported in long-term debt.

### **NOTE F - RETIREMENT PLAN**

The authority participates in the Louisiana Housing Council Group Retirement Plan, administered by Broussard, Bush and Hurst, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities which are members of the Louisiana Housing Council. Through this plan, the authority provides pension benefits for all of its full-time employees. All full-time employees who have attained age 18 are eligible to participate in the plan on the first day of the month after completing three months of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to six percent of each participant's basic (excludes overtime) compensation. Employees are required to contribute four percent of their annual covered salary.

The authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the authority.

Normal retirement date shall be the first day of the month following the employee's sixty-fifth birthday. Early retirement may be elected on the first day of any month within 10 years of the employee's normal retirement date, provided the employee has completed five years of service with the authority. With the authority's consent, employees may defer retirement to the first day of any month beyond normal retirement date.

The authority's total payroll for the year ended September 30, 2008, was \$209,548. The authority's contributions were calculated using the base salary amount of \$166,481. The authority made the required contributions of \$9,989 for the year ended September 30, 2008.

## **HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE**

White Castle, Louisiana

Notes to the Financial Statements, 2008 – Continued

### ***NOTE G – RISK MANAGEMENT***

The authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The authority's risk management program encompasses obtaining property and liability insurance.

The authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, and workers compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the authority's deductions are met.

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, there have been no significant claims that have exceeded commercial insurance coverages in any of the past three fiscal years.

### ***NOTE H – FEDERAL COMPLIANCE CONTINGENCIES***

The authority is subject to possible examinations by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refund by the entity to federal grantors and/or program beneficiaries.

### ***NOTE I – ECONOMIC DEPENDENCE***

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$481,566 to the authority, which represents approximately 63% of the authority's total revenue for the year.

**William Daniel McCaskill, CPA**  
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**Mandeville, Louisiana 70471**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
**Housing Authority of the Town of White Castle**  
White Castle, Louisiana

I have audited the financial statements of the Housing Authority of the Town of White Castle (the authority), as of and for the year ended September 30, 2008 and the authority's basic financial statements and have issued my report thereon dated April 27, 2009. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the authority's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the authority's financial statements that is more than inconsequential will not be prevented or detected by the authority's internal control.

## HOUSING AUTHORITY OF THE TOWN OF WHITE CASTLE

White Castle, Louisiana  
Report on Internal Control... *Government*  
*Auditing Standards*, 2008  
Page Two

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the authority's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted a certain matter that I reported to management of the authority in a separate letter dated April 27, 2009.

This report is intended solely for the information and use of the board of commissioners and management, others within the organization, the Louisiana Legislative Auditor and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*William Daniel McCaskill*

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William Daniel McCaskill, CPA  
A Professional Accounting Corporation

April 27, 2009



**HOUSING AUTHORITY OF THE TOWN OF WHITE  
CASTLE**

White Castle, Louisiana

Schedule of Current Audit Findings  
Fiscal Year Ended September 30, 2008

**Summary Schedule of Auditor's Results:**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the authority.
2. There were no significant deficiencies required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States of America.
3. There were no instances of noncompliance considered material, as defined by the *Government Auditing Standards*, to the financial statements.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**Schedule 2**

**HOUSING AUTHORITY OF THE TOWN OF WHITE  
CASTLE**

White Castle, Louisiana

Schedule of Prior Year Audit Findings  
Fiscal Year Ended September 30, 2008

There were no findings in the prior audit.

**Schedule 3**

**HOUSING AUTHORITY OF THE TOWN OF WHITE  
CASTLE**

White Castle, Louisiana  
Compensation Paid Board Members  
For Fiscal Year Ended September 30, 2008

Vantrice Ellis	\$ 450
Willie Brisco	\$ 550
Terry Elzy, Sr.	\$ 450
Jerry Scott	\$ 500
Brandy Falcon - Villavaso	\$ 500

Housing Authority of the Town of White Castle  
Schedule 4 – Financial Data Schedule

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
<b>Balance Sheet</b>							
111	Cash-unrestricted	\$ 152,682	\$ -	\$ -	\$ 152,682	\$ -	\$ 152,682
112	Cash-restricted-modernization and development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
113	Cash-other restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
114	Cash-tenant security deposits	\$ 11,915	\$ -	\$ -	\$ 11,915	\$ -	\$ 11,915
115	Cash - Restricted for payment of current liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100	<b>Total Cash</b>	<b>\$ 164,597</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 164,597</b>	<b>\$ -</b>	<b>\$ 164,597</b>
121	Accounts receivable - PHA projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ 10,965	\$ -	\$ -	\$ 10,965	\$ -	\$ 10,965
122-020	Accounts receivable - HUD other projects - Capital fund	\$ 53,600	\$ -	\$ -	\$ 53,600	\$ -	\$ 53,600
122-030	Accounts receivable - HUD other projects - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122	<b>Accounts receivable - HUD other projects</b>	<b>\$ 64,565</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 64,565</b>	<b>\$ -</b>	<b>\$ 64,565</b>
124	Account receivable - other government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-010	Account receivable - miscellaneous - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-020	Account receivable - miscellaneous - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-030	Account receivable - miscellaneous - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-040	Account receivable - miscellaneous - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
125-050	Account receivable - miscellaneous - Other	\$ 263	\$ -	\$ -	\$ 263	\$ -	\$ 263
125-060	<b>Other - Comment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
125	<b>Account receivable - miscellaneous</b>	<b>\$ 263</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 263</b>	<b>\$ -</b>	<b>\$ 263</b>
126	Accounts receivable - tenants	\$ 6,646	\$ -	\$ -	\$ 6,646	\$ -	\$ 6,646
126.1	Allowance for doubtful accounts - tenants	\$ (4,143)	\$ -	\$ -	\$ (4,143)	\$ -	\$ (4,143)
126.2	Allowance for doubtful accounts - other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
128	Fraud recovery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
128.1	Allowance for doubtful accounts - Fraud	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
129	Accrued interest receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
120	<b>Total receivables, net of allowance for doubtful accounts</b>	<b>\$ 67,331</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 67,331</b>	<b>\$ -</b>	<b>\$ 67,331</b>
131	Investments - unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
132	Investments - restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
135	Investments - Restricted for payment of current liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
142	Prepaid expenses and other assets	\$ 20,318	\$ -	\$ -	\$ 20,318	\$ -	\$ 20,318
143	Inventories	\$ 7,194	\$ -	\$ -	\$ 7,194	\$ -	\$ 7,194
143.1	Allowance for obsolete inventories	\$ (360)	\$ -	\$ -	\$ (360)	\$ -	\$ (360)
144	Inter program - due from	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
145	Assets held for sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
150	<b>Total Current Assets</b>	<b>\$ 259,080</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 259,080</b>	<b>\$ -</b>	<b>\$ 259,080</b>

Housing Authority of the Town of White Castle  
Schedule 4 – Financial Data Schedule

161	Land	\$	236,540	\$	236,540	\$	236,540	\$	236,540
162	Buildings	\$	4,723,550	\$	4,723,550	\$	4,723,550	\$	4,723,550
163	Furniture, equipment and machinery - dwellings	\$	-	\$	-	\$	-	\$	-
164	Furniture, equipment and machinery - administration	\$	166,828	\$	166,828	\$	166,828	\$	166,828
165	Leasehold improvements	\$	861,113	\$	861,113	\$	861,113	\$	861,113
166	Accumulated depreciation	\$	(4,008,953)	\$	(4,008,953)	\$	(4,008,953)	\$	(4,008,953)
167	Construction in progress	\$	326,717	\$	326,717	\$	326,717	\$	326,717
168	Infrastructure	\$	-	\$	-	\$	-	\$	-
169	Total capital assets, net of accumulated depreciation	\$	2,305,795	\$	2,305,795	\$	2,305,795	\$	2,305,795
171-010	Notes, Loans, & mortgages receivable - Non-current - Not For Profit	\$	-	\$	-	\$	-	\$	-
171-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$	-	\$	-	\$	-	\$	-
171-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$	-	\$	-	\$	-	\$	-
171-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$	-	\$	-	\$	-	\$	-
171-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$	-	\$	-	\$	-	\$	-
171-060	Other - Comment	\$	-	\$	-	\$	-	\$	-
171	Notes, Loans, & mortgages receivable - Non-current	\$	-	\$	-	\$	-	\$	-
172-010	Notes, Loans, & mortgages receivable - Non-current - past due - Not For Profit	\$	-	\$	-	\$	-	\$	-
172-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$	-	\$	-	\$	-	\$	-
172-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$	-	\$	-	\$	-	\$	-
172-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$	-	\$	-	\$	-	\$	-
172-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$	-	\$	-	\$	-	\$	-
172-060	Other - Comment	\$	-	\$	-	\$	-	\$	-
172	Notes, Loans, & mortgages receivable - Non-current - past due	\$	-	\$	-	\$	-	\$	-
173	Grants receivable - Non-current	\$	-	\$	-	\$	-	\$	-
174-010	Other assets - Not For Profit	\$	-	\$	-	\$	-	\$	-
174-020	Other assets - Partnership	\$	-	\$	-	\$	-	\$	-
174-030	Other assets - Joint Venture	\$	-	\$	-	\$	-	\$	-
174-040	Other assets - Tax Credit	\$	-	\$	-	\$	-	\$	-
174-050	Other assets - Other	\$	-	\$	-	\$	-	\$	-
174-060	Other - Comment	\$	-	\$	-	\$	-	\$	-
174	Other assets	\$	-	\$	-	\$	-	\$	-
176-010	Investment in Joint venture - Not For Profit	\$	-	\$	-	\$	-	\$	-
176-020	Investment in Joint venture - Partnership	\$	-	\$	-	\$	-	\$	-
176-030	Investment in Joint venture - Joint Venture	\$	-	\$	-	\$	-	\$	-
176-040	Investment in Joint venture - Tax Credit	\$	-	\$	-	\$	-	\$	-
176-050	Investment in Joint venture - Other	\$	-	\$	-	\$	-	\$	-
176-060	Other - Comment	\$	-	\$	-	\$	-	\$	-
176	Investment in joint venture	\$	-	\$	-	\$	-	\$	-
180	Total Non-current Assets	\$	2,305,795	\$	2,305,795	\$	2,305,795	\$	2,305,795
190	Total Assets	\$	2,564,875	\$	2,564,875	\$	2,564,875	\$	2,564,875

311	Bank overdraft	\$ -	\$ -	\$ -	\$ -
312	Accounts payable <= 90 days	\$ 67,620	\$ -	\$ 67,620	\$ -
313	Accounts payable > 90 days past due	\$ -	\$ -	\$ -	\$ -
321	Accrued wage/payroll taxes payable	\$ 15,843	\$ -	\$ 15,843	\$ 15,843
322	Accrued compensated absences - current portion	\$ 5,731	\$ -	\$ 5,731	\$ 5,731
324	Accrued contingency liability	\$ -	\$ -	\$ -	\$ -
325	Accrued interest payable	\$ -	\$ -	\$ -	\$ -
331-010	Accounts payable - HUD PHA Programs - Operating Subsidy	\$ -	\$ -	\$ -	\$ -
331-020	Accounts payable - HUD PHA Programs - Capital fund	\$ -	\$ -	\$ -	\$ -
331-030	Accounts payable - HUD PHA Programs - Other	\$ -	\$ -	\$ -	\$ -
331	Accounts payable - HUD PHA Programs	\$ -	\$ -	\$ -	\$ -
332	Accounts payable - PHA Projects	\$ -	\$ -	\$ -	\$ -
333	Accounts payable - other government	\$ 22,547	\$ -	\$ 22,547	\$ 22,547
341	Tenant security deposits	\$ 11,915	\$ -	\$ 11,915	\$ 11,915
342-010	Deferred revenue - Operating Subsidy	\$ -	\$ -	\$ -	\$ -
342-020	Deferred revenue - Capital fund	\$ -	\$ -	\$ -	\$ -
342-030	Deferred revenue - Other	\$ 1,297	\$ -	\$ 1,297	\$ 1,297
342	Deferred revenue	\$ 1,297	\$ -	\$ 1,297	\$ 1,297
343-010	CFFP	\$ -	\$ -	\$ -	\$ -
343-020	Capital Projects/Mortgage Revenue	\$ -	\$ -	\$ -	\$ -
343	Current portion of long-term debt - capital projects/mortgage revenue bonds	\$ -	\$ -	\$ -	\$ -
344	Current portion of long-term debt - operating borrowings	\$ -	\$ -	\$ -	\$ -
345	Other current liabilities	\$ -	\$ -	\$ -	\$ -
346	Accrued liabilities - other	\$ -	\$ -	\$ -	\$ -
347	Inter program - due to	\$ -	\$ -	\$ -	\$ -
348-010	Loan liability - current - Not For Profit	\$ -	\$ -	\$ -	\$ -
348-020	Loan liability - current - Partnership	\$ -	\$ -	\$ -	\$ -
348-030	Loan liability - current - Joint Venture	\$ -	\$ -	\$ -	\$ -
348-040	Loan liability - current - Tax Credit	\$ -	\$ -	\$ -	\$ -
348-050	Loan liability - current - Other	\$ -	\$ -	\$ -	\$ -
348-060	Other - Connumt	\$ -	\$ -	\$ -	\$ -
348	Loan liability - current	\$ -	\$ -	\$ -	\$ -
310	Total Current Liabilities	\$ 124,953	\$ -	\$ 124,953	\$ 124,953

351-010	Long-term debt - CFFP	\$	-	\$	-	\$	-	\$	-
351-020	Long-term - Capital Projects/ Mortgage Revenue	\$	-	\$	-	\$	-	\$	-
351	Capital Projects/ Mortgage Revenue Bonds	\$	-	\$	-	\$	-	\$	-
352	Long-term debt, net of current - operating borrowings	\$	-	\$	-	\$	-	\$	-
353	Non-current liabilities - other	\$	-	\$	-	\$	-	\$	-
354	Accrued compensated absences- Non-current	\$	11,082	\$	-	\$	-	\$	11,082
355-010	Loan liability - Non-current - Not For Profit	\$	-	\$	-	\$	-	\$	-
355-020	Loan liability - Non-current - Partnership	\$	-	\$	-	\$	-	\$	-
355-030	Loan liability - Non-current - Joint Venture	\$	-	\$	-	\$	-	\$	-
355-040	Loan liability - Non-current - Tax Credit	\$	-	\$	-	\$	-	\$	-
355-050	Loan liability - Non-current - Other	\$	-	\$	-	\$	-	\$	-
355-060	Other - Comment	-	-	-	-	-	-	-	-
355	Loan liability - Non-current	\$	-	\$	-	\$	-	\$	-
356	FASB 5 Liabilities	\$	-	\$	-	\$	-	\$	-
357	Accrued Pension and OPEB Liability	\$	-	\$	-	\$	-	\$	-
350	Total Non-current liabilities	\$	11,082	\$	-	\$	-	\$	11,082
300	Total Liabilities	\$	136,035	\$	-	\$	-	\$	136,035
508.1	Invested in capital assets, net of related debt	\$	2,305,795	\$	-	\$	-	\$	2,305,795
511.1	Restricted Net Assets	\$	-	\$	-	\$	-	\$	-
512.1	Unrestricted Net Assets	\$	123,045	\$	-	\$	-	\$	123,045
513	Total Equity/Net Assets	\$	2,428,840	\$	-	\$	-	\$	2,428,840
600	Total Liabilities and Equity/Net assets	\$	2,564,875	\$	-	\$	-	\$	2,564,875

Income Statement			
70300	Net tenant rental revenue	\$ 238,732	\$ 238,732
70400	Tenant revenue - other	\$ -	\$ -
70500	Total Tenant Revenue	\$ 238,732	\$ 238,732
70600-010	Housing assistance payments	\$ -	\$ -
70600-020	Ongoing administrative fees earned	\$ -	\$ -
70600-030	Hard to house fee revenue	\$ -	\$ -
70600-031	FSS Coordinator	\$ -	\$ -
70600-040	Actual independent public accountant audit costs	\$ -	\$ -
70600-050	Total preliminary fees earned	\$ -	\$ -
70600-060	All other fees	\$ -	\$ -
70600-070	Admin fee calculation description	\$ -	\$ -
70600	HUD PHA operating grants	\$ 263,855	\$ 263,855
70610	Capital grants	\$ 217,711	\$ 217,711
70710	Management Fee	\$ -	\$ -
70720	Asset Management Fee	\$ -	\$ -
70730	Book-Keeping Fee	\$ -	\$ -
70740	Front Line Service Fee	\$ -	\$ -
70750	Other Fees	\$ -	\$ -
70700	Total Fee Revenue	\$ -	\$ -
70800	Other government grants	\$ -	\$ -
71100-010	Housing Assistance Payment	\$ -	\$ -
71100-020	Administrative Fee	\$ -	\$ -
71100	Investment income - unrestricted	\$ 2,097	\$ 2,097
71200	Mortgage interest income	\$ -	\$ -
71300	Proceeds from disposition of assets held for sale	\$ -	\$ -
71310	Cost of sale of assets	\$ -	\$ -
71400-010	Housing Assistance Payment	\$ -	\$ -
71400-020	Administrative Fee	\$ -	\$ -
71400	Fraud recovery	\$ -	\$ -
71500	Other revenue	\$ 36,517	\$ 36,517
71600	Gain or loss on sale of capital assets	\$ -	\$ -
72000-010	Housing Assistance Payment	\$ -	\$ -
72000-020	Administrative Fee	\$ -	\$ -
72000	Investment income - restricted	\$ -	\$ -
70000	Total Revenue	\$ 758,912	\$ 758,912



Housing Authority of the Town of White Castle  
Schedule 4 – Financial Data Schedule

91100	Administrative salaries	\$	94,363	\$	-	\$	-	\$	94,363	\$	-	\$	94,363
91200	Auditing fees	\$	9,340	\$	-	\$	-	\$	9,340	\$	-	\$	9,340
91300	Management Fee	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
91310	Book-Keeping Fee	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
91400	Advertising and Marketing	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
91500	Employee benefit contributions - administrative	\$	34,283	\$	-	\$	-	\$	34,283	\$	-	\$	34,283
91600	Office Expenses	\$	17,643	\$	-	\$	-	\$	17,643	\$	-	\$	17,643
91700	Legal Expense	\$	3,118	\$	-	\$	-	\$	3,118	\$	-	\$	3,118
91800	Travel	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
91810	Allocated Overhead	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
91900	Other	\$	44,194	\$	-	\$	-	\$	44,194	\$	-	\$	44,194
91000	Total Operating-Administrative	\$	202,941	\$	-	\$	-	\$	202,941	\$	-	\$	202,941
92000	Asset Management Fee	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
92100	Tenant services - salaries	\$	61,674	\$	-	\$	-	\$	61,674	\$	-	\$	61,674
92200	Relocation Costs	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
92300	Employee benefit contributions - tenant services	\$	13,798	\$	-	\$	-	\$	13,798	\$	-	\$	13,798
92400	Tenant services - other	\$	1,753	\$	-	\$	-	\$	1,753	\$	-	\$	1,753
92500	Total Tenant Services	\$	77,225	\$	-	\$	-	\$	77,225	\$	-	\$	77,225
93100	Water	\$	1,136	\$	-	\$	-	\$	1,136	\$	-	\$	1,136
93200	Electricity	\$	11,836	\$	-	\$	-	\$	11,836	\$	-	\$	11,836
93300	Gas	\$	289	\$	-	\$	-	\$	289	\$	-	\$	289
93400	Fuel	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
93500	Labor	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
93600	Sewer	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
93700	Employee benefit contributions - utilities	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
93800	Other utilities expense	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
93000	Total Utilities	\$	13,261	\$	-	\$	-	\$	13,261	\$	-	\$	13,261

Housing Authority of the Town of White Castle  
Schedule 4 – Financial Data Schedule

94100	Ordinary maintenance and operations - labor	\$	53,511	\$	-	\$	-	\$	53,511	\$	53,511
94200	Ordinary maintenance and operations - materials and other	\$	15,986	\$	-	\$	-	\$	15,986	\$	15,986
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	\$	-	\$	-	\$	-	\$	-	\$	-
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$	2,960	\$	-	\$	-	\$	2,960	\$	2,960
94300-030	Ordinary Maintenance and Operations Contracts - Snow Removal Contracts	\$	-	\$	-	\$	-	\$	-	\$	-
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	\$	-	\$	-	\$	-	\$	-	\$	-
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	\$	17,880	\$	-	\$	-	\$	17,880	\$	17,880
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	\$	-	\$	-	\$	-	\$	-	\$	-
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	\$	-	\$	-	\$	-	\$	-	\$	-
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	\$	10,314	\$	-	\$	-	\$	10,314	\$	10,314
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$	13,734	\$	-	\$	-	\$	13,734	\$	13,734
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	\$	-	\$	-	\$	-	\$	-	\$	-
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	\$	17,999	\$	-	\$	-	\$	17,999	\$	17,999
94300-120	Ordinary Maintenance and Operations Contracts - Misc Contracts	\$	1,242	\$	-	\$	-	\$	1,242	\$	1,242
94300	Ordinary Maintenance and Operations Contracts	\$	64,129	\$	-	\$	-	\$	64,129	\$	64,129
94500	Employee benefit contribution - ordinary maintenance	\$	18,584	\$	-	\$	-	\$	18,584	\$	18,584
94000	Total Maintenance	\$	152,210	\$	-	\$	-	\$	152,210	\$	152,210
95100	Protective services - labor	\$	-	\$	-	\$	-	\$	-	\$	-
95200	Protective services - other contract costs	\$	566	\$	-	\$	-	\$	566	\$	566
95300	Protective services - other	\$	-	\$	-	\$	-	\$	-	\$	-
95500	Employee benefit contributions - protective services	\$	-	\$	-	\$	-	\$	-	\$	-
95000	Total Protective Services	\$	566	\$	-	\$	-	\$	566	\$	566

Housing Authority of the Town of White Castle  
Schedule 4 – Financial Data Schedule

96110	Property Insurance	\$	31,156	\$	-	\$	-	\$	31,156	\$	-	\$	31,156
96120	Liability Insurance	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96130	Workmen's Compensation	\$	12,178	\$	-	\$	-	\$	12,178	\$	-	\$	12,178
96140	All other Insurance	\$	4,938	\$	-	\$	-	\$	4,938	\$	-	\$	4,938
96100	Total Insurance Premiums	\$	48,272	\$	-	\$	-	\$	48,272	\$	-	\$	48,272
96200	Other general expenses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96210	Compensated absences	\$	1,643	\$	-	\$	-	\$	1,643	\$	-	\$	1,643
96300	Payments in lieu of taxes	\$	22,547	\$	-	\$	-	\$	22,547	\$	-	\$	22,547
96400	Bad debt - tenant rents	\$	9,028	\$	-	\$	-	\$	9,028	\$	-	\$	9,028
96500	Bad debt - mortgages	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96600	Bad debt - other	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96800	Severance expense	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96000	Total Other General Expenses	\$	33,218	\$	-	\$	-	\$	33,218	\$	-	\$	33,218
96710	Interest of Mortgage (or Bonds) Payable	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96720	Interest on Notes Payable (Short and Long Term)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96730	Amortization of Bond Issue Costs	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96700	Total Interest Expense and Amortization Cost	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
96900	Total Operating Expenses	\$	527,693	\$	-	\$	-	\$	527,693	\$	-	\$	527,693
97000	Excess Revenue Over Operating Expenses	\$	231,219	\$	-	\$	-	\$	231,219	\$	-	\$	231,219
97100	Extraordinary maintenance	\$	16,805	\$	-	\$	-	\$	16,805	\$	-	\$	16,805
97200	Casualty losses- Non-capitalized	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300-010	Mainstream 1 & 5 year	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300-020	Home-Ownership	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300-025	Litigation	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300-030	Hope IV	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300-035	Moving to Work	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300-040	Tenant Protection	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300-050	All Other	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97300	Housing assistance payments	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97350	HAP Portability-in	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97400	Depreciation expense	\$	263,946	\$	-	\$	-	\$	263,946	\$	-	\$	263,946
97500	Fraud losses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
97800	Dwelling units rent expense	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
98000	Total Expenses	\$	808,444	\$	-	\$	-	\$	808,444	\$	-	\$	808,444

Housing Authority of the Town of White Castle  
Schedule 4 – Financial Data Schedule

10010	Operating transfer in	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10020	Operating transfer out	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10030-010	Not For Profit	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10030-020	Partnership	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10030-030	Joint Venture	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10030-040	Tax Credit	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10030-050	Other	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10030-060	Other - Conduit	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10030	Operating transfers from / to primary government	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10040	Operating transfers from / to component unit	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10070	Extraordinary items, net gain/loss	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10080	Special items, net gain/loss	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10091	Inter Project Excess Cash Transfer In	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10092	Inter Project Excess Cash Transfer Out	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10093	Transfers between Programs and Projects - in	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10094	Transfers between Programs and Projects - out	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10100	Total other financing sources (uses)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$	(49,532)	\$	-	\$	(49,532)	\$	-	\$	(49,532)	\$	(49,532)
11020	Required Annual Debt Principal Payments	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11030	Beginning equity	\$	2,478,372	\$	-	\$	2,478,372	\$	-	\$	2,478,372	\$	2,478,372
11040-010	Prior period adjustments and correction of errors - Edible	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-020	Prior period adjustments and correction of errors - Edible	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-030	Prior period adjustments and correction of errors - Edible	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-040	Prior period adjustments and correction of errors - Edible	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-050	Prior period adjustments and correction of errors - Edible	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-060	Prior period adjustments and correction of errors - Edible	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-070	Equity Transfers	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-080	Equity Transfers	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-090	Equity Transfers	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-100	Equity Transfers	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040-110	Equity Transfers	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11040	Prior period adjustments, equity transfers, and correction of errors	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

[illegible]

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**Management Letter**

**Board of Commissioners  
Housing Authority of the Town of White Castle  
City state**

In planning and performing my audit of the financial statements of the Housing Authority of the Town of White Castle for the year ended September 30, 2008, I considered the Authority's internal control to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control.

However, during my audit, I noted a certain matter involving internal control that is presented for your consideration. This letter does not affect my report dated April 27, 2009, on the financial statements of the authority. Management's response has also been included.

**ML 2008-1**

Louisiana State law requires that the agency audit report be published within 6 months of the agency's fiscal year end (FYE). This audit report is as of and for FYE September 30, 2008 and is being published subsequent to March 31, 2009.

The agency requested and received an extension of the deadline from the Louisiana Legislative Auditors Office. However, the extension approval requires that the audit report include at the least a Management Letter Comment describing the circumstances causing the late audit report.

In 2008 HUD modified the Required Supplemental Information (RSI) and did not complete the modification until after December 31, 2008. The RSI that was then released was incorrect and HUD later issued a 2<sup>nd</sup> modified version of the RSI. HUD extended the UNAUDITED due date for 9-30-08 agencies until after the 3-31-09 State audit deadline.

The circumstances of HUD's modification of the RSI caused the agency to be unable to meet the 3-31-2009 State audit deadline. The delay was caused by neither the agency nor the audit firm.

**PHA Response** – We concur with the auditors comments above. Since neither the agency nor the auditor caused the delay we do not have any corrective action plan to offer.

My audit procedures are designed primarily to enable us to form opinions on the financial statements of the authority, as of and for the year ending September 30, 2008, which collectively comprise the authority's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and user of the Board, management, federal awarding agencies, and pass-thru entities and is not intended to be and should not be used by anyone other than these specified users. Although the intended use of these reports may be limited, under LRS 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*William Daniel McCaskill*

William Daniel McCaskill, CPA, APAC  
A Professional Accounting Corporation

April 27, 2009